

Grantee: Palm Beach County, FL

Grant: B-09-LN-FL-0021

July 1, 2010 thru September 30, 2010 Performance Report

Grant Number:

B-09-LN-FL-0021

Obligation Date:**Grantee Name:**

Palm Beach County, FL

Award Date:

02/11/2010

Grant Amount:

\$50,000,000.00

Contract End Date:

02/11/2013

Grant Status:

Active

Review by HUD:

Submitted - Await for Review

QPR Contact:

Carlos Serrano

Disasters:

Declaration Number

NSP

Narratives

Executive Summary:

In recent years most planning and development has focused on the county's gradual western expansion and neglected the traditional central core of the county. As such many areas of the County are underutilized and provide great opportunities for redevelopment, including the Urban Redevelopment Area (URA). The URA consists of 25 square miles and was created in 2005 to focus the County's redevelopment and infill efforts by promoting economic growth; improving the present condition of infrastructure, investment and reinvestment in the area; and discouraging urban sprawl by directing development where resources exists.

The three activities planned under this application will target and provide housing benefits (rental and homeownership to 413 households with incomes which are at or below 120% of the County's MFI as follow:

- Second Mortgage Loan Program for which \$9.15 million is being requested will provide benefits to 148 households;
- Residential Redevelopment Program for which \$20.13 is being requested will provide benefits to 101 households; and,
- Neighborhood Redevelopment Program for which \$16.47 is being requested will provide benefits to 164 renter households.

Target Geography:

As described in the Executive Summary, NSP2 funds will be limited to use in the Palm Beach County Urban Redevelopment Area (URA), the central urban core of the County which is physically and socially ripe for revitalization, and in need of assistance from the negative effects of the foreclosure crisis. The URA is located in eastern-central Palm Beach County, and is generally bounded by Community Drive on the north; Interstate 95 to the east; Haverhill and Jog Roads to the west; and Melaleuca Lane to the south. The following zip codes fall entirely, or partially within the URA: 33409; 33417; 33413; 33415; 33406; 33461; and 33463.

Program Approach:

As previously stated, the purpose of the URA is to focus the County's redevelopment and infill efforts by promoting economic growth; improving the present condition of infrastructure, investment and reinvestment in the area; and discouraging urban sprawl by directing development where resources exists. The County's NSP2 Program has been designed to dovetail with these goals, while realizing the overall goal of HUD's NSP2 Program to stabilize and revitalize communities hard-hit by the recent economic and foreclosure crisis through removal of housing units from foreclosure and redevelopment of vacant or underutilized properties.

The three activities planned under this application will target and provide housing benefits (rental and homeownership to 413 households with incomes which are at or below 120% of the County's MFI. Of the 413 households slated to benefit from the programs to be undertaken, 139 households (90 renters and 49 homebuyers) will have incomes which is at or below 50% of the AMI, and 274 households (74 renters and 200 homebuyers) will have incomes between 51% and 120% of the County's AMI. The three activities are described in greater detail below:

1. Second Mortgage Program (\$9,150,000): provision of County NSP2 second mortgages to assist homebuyers in leveraging a 1st mortgage to acquire a foreclosed single family property for owner occupancy.
2. Residential Redevelopment Program (\$20,130,000): provision of NSP2 grants to subrecipient municipalities, public agencies, and private non-profits for the acquisition and rehabilitation of vacant and foreclosed properties to be used for subsequent affordable resale or rental.
3. Neighborhood Redevelopment Program (\$16,470,000): provision of low-interest conditional loans to private for-profit developers or partnerships between private-for profits and public or non-profit partners for the redevelopment of vacant properties into affordable multifamily rental housing with a focus on the production of housing for the low and very-low income groups (<50AMI) including formerly homeless families.

The quick removal of 249 foreclosed single-family homes from the market will help stabilize the housing market within the URA by arresting the deterioration in housing prices in the area, and will revitalize the neighborhoods of the URA by bringing working families back into vacant housing structures that will eventually exert a blighting influence on the community.

In terms of economic impact, aside from the boost to the housing sales services industry, it is anticipated that approximately 172 construction related jobs will be created from the activity being proposed for the redevelopment of residential structures for use as rental. Additionally, the local property tax base will increase either through the payment of taxes previously gone unpaid on foreclosures, and by taxes generated through new housing development and redevelopment of vacant housing. All of these benefits will be realized within three years of implementation of this project.

Consortium Members:

This NSP2 Program is NOT a consortium, but that of a single governmental entity: Palm Beach County, Florida.

How to Get Additional Information:

For additional information, please contact Edward W. Lowery, Director, Palm Beach County Department of Housing and Community Development, 100 Australian Avenue, Suite 500, West Palm Beach, FL 33406 (561) 233-3602 or elowery@pbcgov.org

| Overall | This Report Period | To Date |
|---|--------------------|-----------------|
| Total Projected Budget from All Sources | N/A | \$13,400,000.00 |
| Total CDBG Program Funds Budgeted | N/A | \$13,400,000.00 |
| Program Funds Drawdown | \$0.00 | \$0.00 |
| Obligated CDBG DR Funds | \$4,250,000.00 | \$4,250,000.00 |
| Expended CDBG DR Funds | \$100,060.00 | \$104,986.56 |
| Match Contributed | \$0.00 | \$0.00 |
| Program Income Received | \$0.00 | \$0.00 |
| Program Income Drawdown | \$0.00 | \$0.00 |

Progress Toward Required Numeric Targets

| Requirement | Required | To Date |
|--|----------------|--------------|
| Overall Benefit Percentage (Projected) | | 0.00% |
| Overall Benefit Percentage (Actual) | | 0.00% |
| Minimum Non-Federal Match | \$0.00 | \$0.00 |
| Limit on Public Services | \$0.00 | \$0.00 |
| Limit on Admin/Planning | \$5,000,000.00 | \$104,986.56 |
| Limit on State Admin | \$0.00 | \$0.00 |

Progress Toward Activity Type Targets

| Activity Type | Target | Actual |
|----------------|----------------|----------------|
| Administration | \$5,000,000.00 | \$4,250,000.00 |

Progress Toward National Objective Targets

| National Objective | Target | Actual |
|-------------------------------|-----------------|----------------|
| NSP Only - LH - 25% Set-Aside | \$12,500,000.00 | \$2,287,500.00 |

Overall Progress Narrative:

Palm Beach County's NSP2 Program will fund three activities and provide housing benefits (rental and homeownership) to approximately 413 households with incomes which are at or below 120% of the County's MFI as follow:

1. Second Mortgage Loan Program for which \$9.15 million is being requested will provide benefits to 148 households. As of 9/30/10 this program is open to the public and staff is accepting applications from prospective homebuyers of foreclosed properties who are out securing 1st mortgage financing and identifying properties for acquisition.
2. Residential Redevelopment Program for which \$20.13 will provide benefits to 101 households. As of 9/30/10 HCD staff is finalizing a Request for Proposals to solicit subrecipients to acquire/rehab foreclosed properties for resale or rental. It is anticipated the RFP will be published in November 2010.
3. Neighborhood Redevelopment Program for which \$16.47M will provide benefits to 164 renter households. On 9/11/10, HCD published a \$11.94M Request for Proposals to solicit for-profit Developers who will redevelop properties for affordable multi-family rental use. The current RFP submittal deadline is 10/20/10. HCD is currently developing an agreement with a designated non-profit Developer for \$4.52M to undertake a multi-family project identified in the County's NSP2 application.

Project Summary

| Project #, Project Title | This Report Period | To Date | |
|------------------------------------|------------------------|------------------------|------------------------|
| | Program Funds Drawdown | Project Funds Budgeted | Program Funds Drawdown |
| 01, Administration | \$0.00 | \$4,250,000.00 | \$0.00 |
| 02, Financing Mechanism | \$0.00 | \$9,150,000.00 | \$0.00 |
| 03, Acquisition and Rehabilitation | \$0.00 | \$20,130,000.00 | \$0.00 |
| 04, Redevelopment | \$0.00 | \$16,470,000.00 | \$0.00 |
| 9999, Restricted Balance | \$0.00 | \$0.00 | \$0.00 |

Activities

Grantee Activity Number: NS2-10

Activity Title: NSP2 Administration

Activity Category:

Administration

Activity Status:

Under Way

Project Number:

01

Project Title:

Administration

Projected Start Date:

02/11/2010

Projected End Date:

02/11/2013

Completed Activity Actual End Date:

National Objective:

N/A

Responsible Organization:

Palm Beach County

Overall

Jul 1 thru Sep 30, 2010

To Date

| | | |
|--|----------------|----------------|
| Total Projected Budget from All Sources | N/A | \$4,250,000.00 |
| Total CDBG Program Funds Budgeted | N/A | \$4,250,000.00 |
| Program Funds Drawdown | \$0.00 | \$0.00 |
| Obligated CDBG DR Funds | \$4,250,000.00 | \$4,250,000.00 |
| Expended CDBG DR Funds | \$100,060.00 | \$104,986.56 |
| Palm Beach County | \$100,060.00 | \$104,986.56 |
| Match Contributed | \$0.00 | \$0.00 |
| Program Income Received | \$0.00 | \$0.00 |
| Program Income Drawdown | \$0.00 | \$0.00 |

Activity Description:

General administration and planning costs incurred in undertaking Palm Beach County's NSP2 Program.

Location Description:

Palm Beach County Department of Housing and Community Development, 100 Australian Avenue, Suite 500, West Palm Beach, FL 33406.

Activity Progress Narrative:

NSP2 Program Administration: Palm Beach County Housing and Community Development staff worked a total of 2,928 NSP2 Program hours during the 07/01/2010 - 09/30/2010 time period.

Accomplishments Performance Measures

No Accomplishments Performance Measures found.

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

Grantee Activity Number: NS2-20

Activity Title: NSP2 Second Mortgage Loan Program-LMMI

Activity Category:

Homeownership Assistance to low- and moderate-income

Activity Status:

Under Way

Project Number:

02

Project Title:

Financing Mechanism

Projected Start Date:

02/11/2010

Projected End Date:

02/11/2013

Completed Activity Actual End Date:

National Objective:

NSP Only - LMMI

Responsible Organization:

Palm Beach County

Overall

Jul 1 thru Sep 30, 2010

To Date

| | | |
|--|--------|----------------|
| Total Projected Budget from All Sources | N/A | \$6,862,500.00 |
| Total CDBG Program Funds Budgeted | N/A | \$6,862,500.00 |
| Program Funds Drawdown | \$0.00 | \$0.00 |
| Obligated CDBG DR Funds | \$0.00 | \$0.00 |
| Expended CDBG DR Funds | \$0.00 | \$0.00 |
| Palm Beach County | \$0.00 | \$0.00 |
| Match Contributed | \$0.00 | \$0.00 |
| Program Income Received | \$0.00 | \$0.00 |
| Program Income Drawdown | \$0.00 | \$0.00 |

Activity Description:

Palm Beach County will provide 2nd mortgages to NSP2-eligible households in the 51-120% AMI income group to assist in the acquisition of vacant foreclosed and/or abandoned single-family homes for owner occupancy.

Location Description:

NSP2 funds will be limited to use in the Palm Beach County Urban Redevelopment Area (URA), the central urban core of the County which is physically and socially ripe for revitalization, and in need of assistance from the negative effects of the foreclosure crisis. The URA is located in eastern-central Palm Beach County, and is generally bounded by Community Drive on the north; Interstate 95 to the east; Haverhill and Jog Roads to the west; and Melaleuca Lane to the south. The following zip codes fall entirely, or partially within the URA: 33409; 33417; 33413; 33415; 33406; 33461; and 33463.

Activity Progress Narrative:

As of 9/30/10 this program is open to the public and staff is accepting applications from prospective homebuyers of foreclosed properties who are out securing 1st mortgage financing and identifying properties for acquisition.

Accomplishments Performance Measures

No Accomplishments Performance Measures found.

| | This Report Period | | | Cumulative Actual Total / Expected | | | |
|-----------------------------|--------------------|-----|-------|------------------------------------|------|-------|----------|
| | Low | Mod | Total | Low | Mod | Total | Low/Mod% |
| # of Households benefitting | 0 | 0 | 0 | 0/0 | 0/40 | 0/116 | 0 |

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

| Other Funding Sources | Amount |
|--------------------------------|--------|
| No Other Funding Sources Found | |
| Total Other Funding Sources | |

Grantee Activity Number: NS2-21

Activity Title: NSP2 Second Mortgage Program-LH

Activity Category:

Homeownership Assistance to low- and moderate-income

Activity Status:

Under Way

Project Number:

02

Project Title:

Financing Mechanism

Projected Start Date:

02/11/2010

Projected End Date:

02/11/2013

Completed Activity Actual End Date:

National Objective:

NSP Only - LH - 25% Set-Aside

Responsible Organization:

Palm Beach County

Overall

Jul 1 thru Sep 30, 2010

To Date

| | | |
|--|--------|----------------|
| Total Projected Budget from All Sources | N/A | \$2,287,500.00 |
| Total CDBG Program Funds Budgeted | N/A | \$2,287,500.00 |
| Program Funds Drawdown | \$0.00 | \$0.00 |
| Obligated CDBG DR Funds | \$0.00 | \$0.00 |
| Expended CDBG DR Funds | \$0.00 | \$0.00 |
| Palm Beach County | \$0.00 | \$0.00 |
| Match Contributed | \$0.00 | \$0.00 |
| Program Income Received | \$0.00 | \$0.00 |
| Program Income Drawdown | \$0.00 | \$0.00 |

Activity Description:

The County will provide NSP2 second mortgages to households in the 0 - 50% AMI income group to assist in the acquisition of vacant foreclosed and/or abandoned single-family homes for owner occupancy.

Location Description:

NSP2 funds will be limited to use in the Palm Beach County Urban Redevelopment Area (URA), the central urban core of the County which is physically and socially ripe for revitalization, and in need of assistance from the negative effects of the foreclosure crisis. The URA is located in eastern-central Palm Beach County, and is generally bounded by Community Drive on the north; Interstate 95 to the east; Haverhill and Jog Roads to the west; and Melaleuca Lane to the south. The following zip codes fall entirely, or partially within the URA: 33409; 33417; 33413; 33415; 33406; 33461; and 33463.

Activity Progress Narrative:

As of 9/30/10 this program is open to the public and staff is accepting applications from prospective homebuyers of foreclosed properties who are out securing 1st mortgage financing and identifying properties for acquisition.

Accomplishments Performance Measures

No Accomplishments Performance Measures found.

| | This Report Period | | | Cumulative Actual Total / Expected | | | |
|-----------------------------|--------------------|-----|-------|------------------------------------|-----|-------|----------|
| | Low | Mod | Total | Low | Mod | Total | Low/Mod% |
| # of Households benefitting | 0 | 0 | 0 | 0/27 | 0/0 | 0/27 | 0 |

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

| Other Funding Sources | Amount |
|--------------------------------|--------|
| No Other Funding Sources Found | |
| Total Other Funding Sources | |

